

INTRODUCTION OF "THE SECURITIES LITIGATION EQUITY ACT OF 1995"

HON. NORMAN Y. MINETA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 25, 1995

Mr. MINETA. Mr. Speaker, I rise today to introduce the Securities Litigation Equity Act of 1995 for myself and my colleague, ANNA ESHOO.

We do so with the understanding the importance of a securities litigation system that allows private citizens to bring suit for securities fraud. The securities suit, when used properly, protects the integrity of the market and guards individuals against reckless and criminal behavior by people who invest their money. Those investments could be a retirement fund or a child's education fund or a down payment on a home. In any case, the investor deserves the right to legally challenge fraudulent behavior where it truly exists.

However, Mr. Speaker, the system has strayed from that honorable intent. Knee-jerk reaction suits filed by attorneys working with professional plaintiffs have severely constricted the flow of information emerging from technology industry leaders. More importantly, the costs incurred by high-risk industries have gone up. This is extremely disturbing when you consider the high costs these companies face naturally because of the types of services they provide. These costs, in the form of higher insurance premiums, legal fees and out of court settlements, result in less capital for the R&D investments U.S. high-tech companies use to maintain their position at the cutting edge of the world market.

For these reasons, securities litigation reform is a top priority for our Nation's high technology community. Since 1988, 19 of Silicon Valley's 30 largest companies have been hit with securities suits. Even the most hardened cynics cannot believe that nearly two-thirds of Northern California's largest high tech companies are guilty of fraud. Rather, we support the contention of companies in our districts that there exist fundamental flaws in our securities litigation system. These flaws reward abusive and frivolous suits, and cost our Nation's most competitive industries millions of dollars in legal fees and forced settlements every year.

It is for these reasons that we introduce this legislation. The reforms we are proposing include a moderate but substantive package of reforms that will address the systematic incentives for abuse and retain the rights of individuals to bring legal action where appropriate.

Our legislation would address the major problems that currently exist in the system by:

Eliminating liability for companies when a stock broker or analyst distributes inaccurate information not attributed to the company.

Reforming the pleading, burden of proof and discovery processes;

Giving greater control of the litigation to the plaintiffs over the attorneys; and

Eliminating many of the abusive practices currently used by the plaintiff's bar.

It is my hope that as the Commerce Committee marks up legislation for consideration by the whole House, it will accept a substantial number of the provisions in our bill—some of which are new, and many of which have received the benefits of close public scrutiny. Recognizing that a gap currently exists be-

tween offered legislative proposals, we carefully crafted this legislation so that it can be supported by Members from both parties, both bodies of Congress, and the key industries and associations affected by these practices.

TRIBUTE TO CASEY HEADRICK WILLIAMS

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 25, 1995

Mr. TOWNS. Mr. Speaker, I would like to pay tribute to Mr. Casey Headrick Williams, Sr., born on January 1, 1910, to the late Jim and Betty Williams in Cerro Gordo, NC. As a young teen, Casey gained a reputation for being an excellent baseball player and traveled throughout the State competing in baseball.

In 1925, the Williams family moved to Chadbourn, NC where they immediately became members of the Mount Moriah Baptist Church. Shortly after moving to Chadbourn, Casey, met Lella Lewis, the oldest daughter of Arch and Princess (Pennie) Lewis; and, on March 5, 1929, Casey and Lella were united in holy matrimony. This union was blessed with 16 children.

Mr. Williams is completely dedicated to his family. The family always had breakfast together on Sunday morning at which there was a family prayer and each family member recited a Bible verse. Mr. Williams has always been a dedicated breadwinner for his family—at times holding multiple jobs simultaneously and commuting over 100 miles daily to work. For several years, he successfully managed the local candy store. Mr. Williams also worked as a manager in the manufacturing field. After this schedule became too strenuous, Mr. Williams decided to become a sharecropper and lived in various parts of Columbus County. In addition to love for God, Mr. Williams has always stressed the importance of hard work, discipline, and education, although his formal education did not extend beyond the sixth grade.

Mr. Williams recently celebrated his 85th birthday. In these, his sunset years, he is now able to spend more time with his family and enjoying his hobbies, which include gardening and freezing the vegetables he grows. Recently, Mr. Williams has become a very good fisherman under the tutelage of his nephew, Paul. Mr. Williams has also continued his lifetime involvement in the politics and civic matters of the community and surrounding areas.

Although Mr. Williams does not have enormous tangible richness, he considers himself to be a wealthy man. His wealth is evidenced by the respect that other members of the community have for him, the love of his family, and his place in the Kingdom.

INTRODUCTION OF THE RECREATIONAL BOATING SAFETY ACT OF 1995

HON. JACK FIELDS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 25, 1995

Mr. FIELDS of Texas. Mr. Speaker, safety is the primary concern of the millions of rec-

reational boaters across this Nation. The bill I am introducing today would increase the level of safety enjoyed by recreational boaters by increasing the penalties for boating while intoxicated [BWI], requiring children to wear personal flotation devices onboard vessels and personal watercraft, and requiring the Coast Guard to develop plans related to mandatory boating education and certification, and boating accident reporting.

Mr. Speaker, during the last Congress, the Merchant Marine and Fisheries Subcommittee on Coast Guard and Navigation conducted an oversight hearing on the National Transportation Safety Board's [NTSB] recreational boating safety study. In that study, NTSB found that alcohol use was involved in at least half of all boating accidents and that 85 percent of those who drown in recreational boating accidents were not wearing personal flotation devices [PFD's].

In their conclusions, NTSB recommended that comprehensive BWI laws be implemented, that minimum recreational boating safety standards be established, and that information about fatal or serious boating accidents be submitted to the U.S. Coast Guard.

I support many of the recommendations of the National Transportation Safety Board and have incorporated some of their suggestions within this legislation.

Mr. Speaker, section 2 of my bill would reduce boating deaths and serious accidents related to alcohol use. Section 2 requires the Coast Guard to develop a program in cooperation with State officials to reduce boating accidents by concentrating enforcement of BWI laws in areas where many boating accidents have occurred. Several States have implemented successful programs of this type, and national cooperative effort would reduce boating accidents across the Nation.

Section 3 and 4 are related to the use of personal flotation devices onboard recreational boats and personal watercraft. Section 3 requires children 12 years of age and younger to wear personal flotation devices, unless they are in enclosed cabins on the boat. Section 4 requires the Coast Guard to submit to Congress a plan to approve full inflationable life jackets for use by certain individuals under appropriate conditions.

According to Texas State boating officials, 71 people drowned in boating accidents in our State last year. Based on their educated analysis, these boating officials believe that more than 50 percent of those Americans would not have lost their lives if they had been wearing personal flotation devices.

Sections 5 and 6 would improve the information that is received by Federal and State boating officials on recreational boating accidents. Section 5 implements a recent suggestion by the National Transportation Safety Board and requires the Coast Guard to implement an information system for boating accident information similar to the one presently

operated by the National Highway Traffic Safety Administration that compiles highway accident information. Section 6 requires the Coast Guard to submit a plan to appropriate congressional committees to increase reporting of boating accidents nationally.

Sections 7 and 8 of my bill require mandatory boating safety education under certain circumstances. Section 7 requires individuals who violate the BWI laws to complete a boating safety course that is acceptable to the Coast Guard. Section 8 requires the Coast Guard to develop a plan for education and certification of individuals who operate recreational vessels. After we have experience with this program nationally, we may find that we can increase the age of individuals subject to these education requirements to gradually educate the entire boating public.

Mr. Speaker, this bill contains extremely valuable changes to the laws designed to protect the safety of our waterways. I urge my colleagues to support early action on this important piece of legislation so that we can help to ensure that more people do not lose their lives on our Nation's waterways.

IN RECOGNITION OF ANITA SEMJEN

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 25, 1995

Mr. LANTOS. Mr. Speaker, I rise today to honor and commend Ms. Anita Semjen, director of the Cultural Exchange Foundation, for her exceptional efforts in keeping alive the memories of the victims of the Holocaust.

Ms. Semjen is currently the director of the Cultural Exchange Foundation, a Washington, D.C.-based, non-profit organization promoting Hungarian-American cultural exchanges. Her most recent effort involve "Victims and Perpetrators," an exhibition which is scheduled to be shown in Budapest, Hungary on February 26, 1995. Following its presentation at the Budapest Jewish Museum, the works will be displayed in several major United States cities, eventually entering the collection of the United States Holocaust Memorial Museum.

"Victims and Perpetrators" presents the works of Ilka Gedo and Gyorgy Roman, artists who lived through the Hungarian Holocaust, in which some 500,000 Hungarian Jews were taken to German concentration camps and murdered. Ilka Gedo's drawings from the Budapest ghettos expose painful memories of the past.

Gyorgy Roman, reputedly Hungary's most emulated artist, has sketched scenes from court proceedings of the war criminal trials. Ms. Anita Semjen found Roman's sketch work through a combination of determination and luck, which has led to its first ever public showing in "Victims and Perpetrators." Both artists' works are unique for their extraordinary insight coupled with their artistic value and intimacy of perception.

Ms. Semjen demonstrates an admirable understanding of the arts and peoples of both the United States and Hungary. At a time when innocent peoples still fall victim to religious and ethnic persecution, Ms. Semjen's exhibition rekindles our often passive conscience.

Therefore, today, Mr. Speaker, more than 50 years after the tragedy of the Hungarian Holocaust, I invite my colleagues to join me in honoring the diligent efforts of Anita Semjen in reminding us of the grievous memories of the past and of the lessons history teaches us in the interminable fight against cruelty and oppression.

TRIBUTE TO CAROL LYNN KELLEY

HON. THOMAS M. DAVIS

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 25, 1995

Mr. DAVIS. Mr. Speaker, I rise this morning to pay tribute to one of our outstanding citizens in Virginia's Eleventh Congressional District, Carol Lynn Kelley of Lake Barcroft.

Carol, known as "Kari" to her friends, was born 40 years ago in Woonsocket, RI, to Margaret and Stacia Klara. A 1972 graduate from Woonsocket High School, she graduated from Vassar College in 1976, and obtained her law degree from Case Western University School of Law in Cleveland in 1979. She practiced law in Cleveland until 1985, when she moved to Fairfax County, VA.

After being admitted to the Virginia Bar she practiced law in Northern Virginia from 1986 to 1992. At that time Kari decided to devote more time to her two young daughters, Elizabeth (Lizzy) and Allison and the community where she and her husband Tim make their home.

Kari has been active in the PTA's at Ellen Glasgow Middle School and Pinecrest School. She is an active Brownie leader in Falls Church and a member of St. Anthony's Catholic Church.

Last year Mrs. Kelly was appointed to the Fairfax County Civil Service Commission, a body which adjudicates disputes in the Fairfax County government and makes recommendations on civil service policy.

Mr. Speaker, I know my colleagues join me in honoring Kari Kelley, an outstanding mother, attorney, civic activist and civil service commissioner as her friends and community leaders honor her on Saturday, January 28, 1995, at the Morse Estate in Falls Church.

TRIBUTE TO THOMAS J. STEWART, JR.

HON. BARBARA B. KENNELLY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 25, 1995

Mrs. KENNELLY. Mr. Speaker, I rise today to recognize the career of Thomas J. Stewart, Jr., who is retiring this month after 33 years of service with the Social Security Administration.

Tom began his career with the Social Security Administration in 1961 and worked in numerous offices in various capacities throughout the State of Connecticut. Most recently, he served as liaison for Connecticut's congressional delegation.

It was in that role that I had the opportunity to observe the commitment that Mr. Stewart had to the constituency he served. He understood how important Social Security was in their lives and he endeavored diligently to

make sure that they received accurate and timely responses to their inquiries. The high standard of service that Tom maintained is an example for all of us in public service to emulate.

I am honored to rise in tribute to the years of dedicated service rendered by Federal employee Thomas J. Stewart, Jr. His three and one-half decades of professionalism constitute a legacy that is unparalleled. His talents and record of excellence will be greatly missed.

TRIBUTE TO JUSTICE FRED L. HENLEY

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 25, 1995

Mr. SKELTON. Mr. Speaker, today I wish to pay tribute to former Missouri Supreme Court Chief Justice Fred L. Henley, who recently passed away in Jefferson City, MO. Born October 25, 1911, in Caruthersville, MO, Chief Justice Henley was an outstanding Missourian who served many appointments within the Missouri justice system.

In 1934, he received his bachelor of laws degree from Cumberland University in Lebanon, TN. In 1935 he was admitted to the Missouri bar. Ten years later he was admitted to the bar of the Supreme Court of the United States.

He established a general law practice in Caruthersville, MO in 1936. That same year he was elected city attorney, a position he held for 3 years. In 1939, he was appointed city counselor. He was city counselor until 1942 when he went to serve in the U.S. Army Air Corps, in 1946 he was commissioned a major in the U.S. Air Force Reserve.

After his military service, Henley served as judge of the 38th Judicial Circuit from October 1955 to February 1960. Afterwards returning to private practice forming the firm Henley and Fowlkes.

Appointed chairman of the Missouri State Highway Commission in December 1961, a position he served until April 1964 when he was appointed to the Missouri Supreme Court. Originally appointed by Governor John M. Dalton, Henley remained on the court for a 12-year term that ended in December 1978. From 1969 throughout 1971, he served the court as Chief Justice.

Judge Henley also belonged to, and led, many civic and fraternal organizations within his community. He was an active member of the Presbyterian Church. Other organizations include, Caruthersville Lodge No. 461, A.F. & A.M.; and Missouri Consistory No. 1, M.R.S.; the Moolah Temple, St. Louis; Post 88 of the American Legion in Pemiscot County; the American Bar Association; and the Missouri Bar Association; the 38th Judicial Circuit Bar Association; the Caruthersville Rotary Club; the Caruthersville Board of Education; the Pemiscot County Chapter of the American Red Cross.

A devoted person in all he undertook, Judge Henley will be missed by all who knew him. I urge my colleagues to join me in my condolences to the family that he leaves. Survivors include three daughters, Sally Kate Sisson, Lynda Wayne Walters, and Karen Janet